

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6444

BILL NUMBER: SB 128

NOTE PREPARED: Dec 10, 2007

BILL AMENDED:

SUBJECT: Equivalent Jobs and Wage Discrimination.

FIRST AUTHOR: Sen. Mrvan

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☒ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill provides that an employer may not discriminate against an employee on the basis of sex, race, or national origin by paying a wage less than the wage paid to an employee of another sex, race, or national origin for work in an equivalent job.

The bill requires an employer to keep certain records of wages paid to an employee and to provide certain documentation to the employee, including an annual statement of how the wages were calculated. It requires the Department of Labor to adopt rules, including specification of certain criteria for determining whether a job is dominated by employees of one sex, a particular race, or a particular national origin. The bill also allows an employee claiming wage discrimination to file a complaint with the Civil Rights Commission.

The bill authorizes a civil action against an employer that fails to comply with certain wage reporting requirements or that takes certain discriminatory actions. It provides for damages against the employer in certain circumstances. The bill makes conforming changes.

Effective Date: Upon passage.

Explanation of State Expenditures: *Department of Labor:* The bill requires the Department of Labor to collect, collate, and publish statistical and other information relating to the working conditions and enforcement of wage discrimination. The Department is to adopt rules and establish a report that employers would be required to submit to the Department. The adoption of rules can be accomplished within the existing level of budget and resources. The cost of collecting and analyzing the reports could increase the Department's costs. The cost would depend on the type of analysis and data collected. If three additional people would be required, then the cost would be about \$170,000 per year.

The funds and resources required above could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Civil Rights Commission: Individuals with wage discrimination complaints can file a complaint with the Civil Rights Commission. The increase in the number of complaints to the Commission is unknown.

Other costs to the state would be as an employer and would probably be minor.

Background Information: As of December 10, 2007, the Department of Labor had 96 vacant positions valued at \$4,854,384; 4 positions had been vacant for more than two years. The Department reverted \$194,600 on June 30, 2007.

The Civil Rights Commission had two vacant positions valued at \$102,894; one of the positions had been vacant for over two years. The Commission reverted \$271,568 on June 30, 2007.

Explanation of State Revenues:

Explanation of Local Expenditures: Local costs would be as an employer.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: All.

Information Sources:

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